



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0294	Title:	Revise natural gas laws
Primary Sponsor:	MacLaren, Gary	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$60,500	\$0	\$60,000	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

HB 294 provides that a natural gas utility that has restructured pursuant to the Natural Gas Utility Restructuring and Customer Choice Act and that does not own natural gas production and gathering resources may acquire those facilities and may apply for Public Service Commission (PSC) approval to rate-base them prior to their acquisition. The PSC must adopt rules prescribing minimum filing requirements for applications submitted pursuant to this bill by March 31, 2010.

FISCAL ANALYSIS

Assumptions:

1. One utility application for approval of a natural gas resource acquisition will be filed with the PSC in the biennium.
2. Analyzing and processing the resource acquisition application and the PSC rulemaking required by HB 294 will require the hiring of a rate analyst and attorney or contracting for these services. For the purposes of this fiscal note it is estimated that \$60,000 would be needed each biennia for this analysis and processing.

3. There are a number of bills with similar requirements of the PSC under consideration by the legislature. Depending upon which bills are passed and signed into law, additional FTE may be more cost effective rather than contracting for these services.
4. The operational costs of the PSC rulemaking to adopt minimum filing requirements are estimated to be \$500 (10 total pages published in the Administrative Register at \$50 per page).

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$60,500	\$0	\$60,000	\$0
Equipment	\$0	\$0	\$0	\$0
TOTAL Expenditures	\$60,500	\$0	\$60,000	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$60,500	\$0	\$60,000	\$0
TOTAL Funding of Exp.	\$60,500	\$0	\$60,000	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$60,500)	\$0	(\$60,000)	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date